



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2011 Biennium

Bill #	HB0612	Title:	Revise laws relating to mental health commitment and treatment
Primary Sponsor:	Beck, Bill	Status:	As Introduced

- | | | |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input checked="" type="checkbox"/> Needs to be included in HB 2 | <input type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>	<u>FY 2012 Difference</u>	<u>FY 2013 Difference</u>
Expenditures:				
General Fund	\$801,339	\$801,339	\$821,372	\$841,907
Federal Special Revenue	\$21,814	\$21,945	\$22,603	\$23,281
Revenue:				
General Fund	\$545,360	\$548,620	\$565,079	\$582,031
Federal Special Revenue	\$21,814	\$21,945	\$22,603	\$23,281
Net Impact-General Fund Balance:	<u>(\$255,979)</u>	<u>(\$252,719)</u>	<u>(\$256,293)</u>	<u>(\$259,876)</u>

Description of fiscal impact:

HB 612 is expected to increase the number of involuntary commitments to the Montana State Hospital. It is estimated that the daily census at the Montana State Hospital will increase by 20 patients.

FISCAL ANALYSIS

Assumptions:

1. The Montana State Hospital (MSH) is licensed for 189 patients. Average daily population has been in excess of this number. Over the past year, the department has been diligently working to remain within the licensed capacity. This bill would add upward pressure to that census number.
2. HB 612 would increase the number of admissions by broadening the standards for commitment of an individual. Currently, an individual can be involuntarily committed based on his/her established medical history. Under this bill, an individual can be recommended for commitment based on observed behavior.

3. Additional operating costs would be incurred to treat and house 20 additional patients. The total operating costs to house 20 patients are as follows: Contracted Services for laboratory testing and laundry: \$24,674; Supplies (includes food, clothing, medical supplies, and laundry) \$98,623; Prescription drugs: \$190,822. The grand total operating costs are \$314,119, or \$15,706 per patient annually. These figures are based on the FY 2008 average costs per patient at the state hospital.
4. Staffing would be required to house the additional complement of 20 patients. An additional 2.00 FTE Registered Nurse and 4.00 FTE psychiatric technicians would be required to treat these individuals, for a total of \$261,720 in salary and benefits.
5. These patients will require staffing on a 24/7 basis. An additional \$225,500 in personal services will be needed to provide adequate direct care staffing for evening and weekend shifts.
6. Individuals insured through Medicaid comprise an estimated 4% of the patient population. It is estimated that for these additional patients, Federal Medicaid expense and reimbursement would total \$21,814 in FY 2010, \$21,945 in 2011, \$22,603 in FY 2012, and \$23,281 in FY 2013.
7. It is assumed General Fund Revenue would increase as a result of the increased number of commitments to Montana State Hospital.
8. The estimated projected revenue for FY 2010 is \$4,863,599, in accordance to the November 10, 2008 2010-2011 Biennium Revenue Projections. The estimated average daily population is 178.36 for a total of \$27,268 in revenue per patient in FY 2010 (\$4,863,599 divided by 178.36 = \$27,268). The projected revenue increase for 20 additional patients for FY 2010 is \$545,360 (\$27,268 x 20 = \$545,360).
9. The estimated projected revenue for FY 2011 is \$4,892,567 with an average daily population of 178.36. The resulting estimated revenue per patient for FY 2011 is \$27,431 (\$4,892,567 divided by 178.36 = \$27,431). The projected revenue increase for 20 additional patients for FY 2011 is \$548,620 (\$27,431 x 20 = \$548,620).
10. A three percent increase in revenue is projected for FY 2012 and FY 2013.

	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>	<u>FY 2012 Difference</u>	<u>FY 2013 Difference</u>
<u>Fiscal Impact:</u>				
FTE	6.00	6.00	6.00	6.00
<u>Expenditures:</u>				
Personal Services	\$487,220	\$487,220	\$499,401	\$511,886
Operating Expenses	\$314,119	\$314,119	\$321,972	\$330,021
Benefits	\$21,814	\$21,945	\$22,603	\$23,281
TOTAL Expenditures	\$823,153	\$823,284	\$843,975	\$865,188
<u>Funding of Expenditures:</u>				
General Fund (01)	\$801,339	\$801,339	\$821,372	\$841,907
Federal Special Revenue (03)	\$21,814	\$21,945	\$22,603	\$23,281
TOTAL Funding of Exp.	\$823,153	\$823,284	\$843,975	\$865,188
<u>Revenues:</u>				
General Fund (01)	\$545,360	\$548,620	\$565,079	\$582,031
Federal Special Revenue (03)	\$21,814	\$21,945	\$22,603	\$23,281
TOTAL Revenues	\$567,174	\$570,565	\$587,682	\$605,312
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	(\$255,979)	(\$252,719)	(\$256,293)	(\$259,876)

*Sponsor's Initials*_____
*Date*_____
*Budget Director's Initials*_____
Date